GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1089
ANSWERED ON:04.12.2015
BRICS Contingent Reserve Arrangement
Pradhan Shri Nagendra Kumar

Will the Minister of FINANCE be pleased to state:

1089. Shri NAGENDRA KUMAR PRADHAN

Will the Minister of FINANCE be please to state:

a. the details of the issues taken up at the first meeting of the governing council of the BRICS Contingent Reserve Arrangement held at Moscow;
b. whether any consensus on the issues have been assured at the said meeting; and
c. the beneficial impact of the decision taken on the Indian economy?

Answer

ANSWER

MINISTER OF STATE IN THE MINSITRY OF FINANCE (SHRI JAYANT SINHA)

a) The first meeting of the Governing Council of the BRICS Contingent Reserve Arrangement was held on September 4, 2015 at Ankara, Turkey. India, is represented by Hon'ble Minister of Finance, Shri Arun Jaitley as the Governor and Dr. Raghuram G. Rajan, Governor, RBI as the Alternate Governor in the Governing Council. During the meeting, Governing Council approved the Governing Council Procedural Rules and Standing Committee Procedural Rules.
b) The decisions at the meeting were taken by consensus.
c) With the approval of the Procedural Rules, most of the foundation work relating to setting up the Contingent Reserve Arrangement is over. The establishment of the Contingent Reserve Arrangement will help India and other signatory countries to forestall short-term liquidity pressures in case of exigencies, provide mutual support and further strengthen financial stability. It will also ensure equity and inclusiveness by providing a backup safety net arrangement in place that will allow Government of India to go ahead with necessary policy decisions without being much worried about international economic developments.